

## Office of the Secretary of Defense

## § 172.6

funds are collected, the deposit shall be made immediately to that account.

(2) See paragraph (f) of this section for special instructions on the processing of proceeds resulting from the sale of recyclable material.

(e) *Return of bid deposits to unsuccessful bidders.* (1) Cash collected from unsuccessful bidders by a DoD Component shall be deposited to account X6875, "Suspense," and a check shall be drawn on that account to reimburse unsuccessful bidders.

(2) Normally, noncash bid deposits shall be returned to unsuccessful bidders by DoD Components through the mail. However, when a bidder has requested expedited return and has provided the name of a carrier and a charge account number, the designated carrier shall be called to pick up the deposit with the explicit condition that applicable carrier costs will be charged to the bidder's account.

(f) *Sales of recyclable material.* The efforts associated with collection and processing of recyclable material are reflected in appendix A to this part. The following transactions for others (TFO) procedures apply:

(1) Proceeds from the sale of recyclable material shall be deposited in F3875, "Budget Clearing Account (Suspense)." The deposit to F3875 shall identify the fiscal station and the name of the installation (use the full name and do not abbreviate) that is to receive the proceeds. Deposits that do not provide the necessary information shall be referred formally to the property disposal cashier for the required information.

(2) The Military Department's finance and accounting office receiving the sales proceeds shall mail a copy of the cash collection voucher to the fiscal station shown on the collection voucher. This advance copy shall be used by the fiscal station to record the collection of proceeds to its account and shall be used for followup purposes, as necessary. The copy received through the financial network shall be used to clear the undistributed collection. These vouchers shall be mailed in the weekly TFO cycle.

(3) The Military Department's finance and accounting office shall:

(i) Report weekly transactions to the responsible fiscal station cited on the collection voucher.

(ii) Report the collections within the same month in the "Statement of Transactions" to the Treasury.

(g) *Contractor sales of surplus Government-furnished property.* (1) DFARS §245.610 provides overall direction for crediting proceeds from contractor conducted sales of surplus Government furnished property. Paragraph (g)(5) of this section provides the procedures that shall be used to ensure proper accounting for such proceeds.

(2) The contractor making the sale may follow normal company policy on bid deposits and form of payment. However, any loss associated with dishonored payment shall be the contractor's responsibility.

(3) The plant clearance officer (PLCO) is responsible for notifying the appropriate accounting office of the amounts collected by the contractor. The PLCO shall also notify the accounting office whether such collections:

(i) Represent an increase in the dollar value of the applicable contract(s).

(ii) Were made instead of disbursements on the applicable contract(s).

(iii) Were returned to miscellaneous receipt account 972651, "Sale of Scrap and Salvage, Materials, Defense."

(4) The accounting office for the contract is identified in the accounting classification code. See DoD 7220.9-M, chapter 17 for additional information.

(5) The accounting office shall prepare the source documents necessary to account properly for the transaction. The value of applicable Government property general-ledger-asset accounts shall be reduced for each alternative set forth in paragraph (g)(3) of this section. Additionally, for alternatives (addressed in paragraph (g)(3)(i) or (g)(3)(ii) of this section, an accounting entry shall be made to reflect the creation of reimbursable obligational authority and the use of such authority.

### § 172.6 Information requirements.

The reports cited in §§172.5(f)(3) (i) and (ii) of this part are exempt from licensing in accordance with paragraph E.4g. of DoD 7750.5-M.